

CHAPTER 7

ECONOMIC DEVELOPMENT ELEMENT

INTRODUCTION

The 1990 Washington State Growth Management Act (GMA) established the following statewide economic development goal:

“Encourage economic development throughout the state that is consistent with adopted comprehensive plans; promote economic opportunity for all citizens of the state, especially for unemployed and disadvantaged persons; and encourage growth in areas experiencing insufficient economic growth all within the capacities of the state’s natural resources, and local public services and facilities.”

Clark County and the Columbia River Economic Development Council (CREDC) worked closely together in preparing this element of the 20-Year Plan. They are among many local organizations serving the community which continue to work together to encourage quality growth within the region and foster its economic well-being.

The following statement reflects the course set by the *Growth Management Act*, and consolidates and summarizes the perspectives of the county and CREDC on economic development:

To foster economic growth and prosperity through comprehensive planning aimed at diversifying economic activities and integrating the County’s economy with that of the region’s; and to enhance the standard of living and provide diversified job opportunities with wage levels that exceed the national average.

The condition of the region’s economy is one of many important factors that influences the overall condition of the community. The *Economic Development Element* of the plan includes an array of development goals, policies and initiatives aimed at promoting those characteristics of the economy which advance the community’s broader vision as expressed in the plan.

The *GMA* suggests two options for including an economic development strategy within the 20-Year Plan. The approach may be addressed in each of the mandatory plan elements, or it may be expressed within a separate Economic Development element of the 20-Year Plan. Under either format, economic development policies must be coordinated and consistent with the policies relating to other subjects addressed in the 20-Year Plan. Clark County has chosen to build and clearly articulate its economic development strategy in a separate element of the 20-Year Plan.

RELATIONSHIP TO OTHER ELEMENTS OF THE COMPREHENSIVE PLAN

Economic development planning cannot be conducted in isolation. The economy plays a vitally influential role in determining whether or not the broad array of objectives and the long range vision for the regional community will be realized.

Economic development programs may not be successful without supporting land use, transportation and capital facility initiatives. Therefore, the intent is to formulate a broad network of interdependent policies within those elements that are mutually supportive. The *Economic Development Element* has been designed as an integral part of the County’s *Comprehensive Plan*. Recognizing the reciprocal benefits derived from strategies based on well coordinated policies, Clark County has ensured that its economic development initiatives are members of a complementary network of *Comprehensive Plan* policies. They support other goals expressed in the plan and the long-range vision for the regional community.

A diverse assortment of public agencies and private interests significantly influence the economy and determine the success of an economic development program. Because their activities influence the location and timing of

economic investment or furnish resources to realize development projects, they are stakeholders in the *20-Year Plan*. Recognizing the importance of their involvement in the planning program, the county encouraged representatives from a variety of public and private agencies, organizations and interest groups to participate in the development of the plan from the outset of the planning process. Individual members of this broad-based team had an opportunity to express their ideas on a variety of economic development subjects and, after identifying key issues and rigorously discussing alternative courses of action, reached consensus on policy proposals.

Another reason for involving a wide variety of public and private stakeholders in the planning process was to minimize inconsistent approaches to economic development. If inconsistencies and conflicts are not addressed early on, they will reemerge in, for example, land use regulation, or after development has been permitted. Therefore, the stakeholders in the plan participated in the formulation of economic development goals and policies, and strategies to implement the plan.

Special efforts were made to involve local governmental agencies in the planning process, particularly the larger units of general purpose local government that have growth management planning responsibility. The county's economic development policies reflect the regulatory responsibilities and development interests of these agencies. Likewise, these jurisdictions are encouraged to take the county's interests and responsibilities into account in formulating their policies.

This element includes background statistics supporting the county's economic development plan. It summarizes existing conditions in Clark County and other information. It focuses on the local economy, employment patterns and growth management related issues. A more detailed assessment of the existing economic base in Clark County is included in the *Resource Document*.

Additionally, this chapter also contains the goals and policies related to economic development in Clark County. Other elements of the *20-Year Plan*, such as Housing, Transportation, Land Use and Capital Facilities, also contain goals and policies which are related to economic development.

BACKGROUND AND EXISTING CONDITIONS

The purpose of the *Economic Development Element* is to set forth the framework and guidelines by which a balanced and stable economic base will be pursued. In formulating future plans, the county recognizes that a strong and diversified local economy is important both for a community's identity and its tax base. The *Resource Document* contains a detailed discussion of the assessment of the existing economic base in Clark County and provides macroeconomic trends at the national, regional and county level. This section summarizes the existing information on the historical and existing employment patterns, evaluation of current and projected socioeconomic trends and characterization of these issues as a basis for the policies contained in the next section.

The Area And Its Economy

Clark County, located in the southwestern portion of the state, is one of the most rapidly developing of Washington's 39 counties. In 1980, its 192,227 residents accounted for 4.7 percent of the state's population. As of April 1993, the county's population had grown to 269,500 people, representing 5.1 percent of the statewide total.

The southwestern portion of the county contains the largest share of the population, reflecting Clark County's traditional orientation toward the Columbia River and the Portland metropolitan area. Clark County is one of five counties included in the Portland Consolidated Metropolitan Statistical Area (CMSA). The other four are Washington, Clackamas, Multnomah and Yamhill Counties, all in Oregon. Clark County's share of the metropolitan population has increased from 12.8 percent in 1970 and 15.5 percent in 1980, to 16.1 percent in 1990. In 1992, the metropolitan area population was 1,566,200 with Clark County representing 16.4 percent of the metropolitan total.

Economic expansion, as represented by employment growth, is directly linked to increases in population, and number of households and educated workforce. The educational attainment of the resident population for Clark County in comparison with the entire metropolitan area indicates that the county has a relatively high proportion of

high school graduates and persons who have completed some college.

The availability of employment opportunities allows the area to attract and retain working-age residents. Consistent with historical and projected population trends, Clark County is projected to experience the fastest level of household growth in the metropolitan area. Clark County is expected to add roughly 60,000 new households during the next 20

years reflecting a 2.3 percent average annual growth rate. The growth in both population and households provide an indication of the persons entering the labor force.

According to the Bureau of Labor Statistics, Washington State's labor force participation rate for females in 1988 was 59.5 percent in contrast to 51.3 percent in 1980. Male participation rates fell from 77.7 percent in 1980 to 74.1 percent in 1988.

Table 7.1 Percentage of Population 16 and Over in the Labor Force in Clark County, 1970-1990

1970		1980		1985		1988		1990	
MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
78.6	39.6	77.7	51.3	75.0	53.9	74.1	59.5	76.9	56.7

In Clark County, women continue to enter the labor force in greater numbers. The growing labor force participation of women is in line with the national trend. Reasons for this trend include the lower birthrate for the past 15 years, the fact that more women are single (they marry later and are more likely to be divorced), the need for two family incomes to keep pace with inflation, the increasing education of women (the more education a woman has, the more likely she is to work) and, finally, increased career opportunities in the number of jobs typically held by women.

Employment Trends

During the 1980s, the Portland-Vancouver metropolitan area was hit by a recession, followed by a period of economic recovery. These events have produced changes in types and locations of jobs. The period of recession from 1980 to 1983 reduced the total number of jobs in the region by over 40,000. Covered employment in the Portland PMSA reached a pre-recession high of 502,240 workers in 1980. Employment levels in the Portland CMSA did not surpass the 1980 peak employment rate until 1986. Covered employment in the Vancouver CMSA (Clark County) reached a pre-recession high of 51,699 in 1981. Clark County recovered more quickly than the rest of the region, surpassing its 1981 peak employment rate by 1983. However, the national recession which started in 1990 began to be felt in Clark County in 1991, with 0.01 percent employment growth experienced from 1990-1991.

Over the past several years the resident labor force changed in response to the local economies. Clark County's wage and salary employment was up by 52.2 percent (+27,620) over the 1980 through 1990 period, while the state's work force increased by 27.2 percent (+437,000). Employment growth in Clark County from 1991 to 1992 was a 2.3 percent gain. The Portland CMSA (Clackamas, Multnomah, Washington and Yamhill Counties) played an important role in Clark County's economic picture. Located across the Columbia River from each other, the intertwined economies of both areas provided a beneficial relationship for Clark County.

Although the Portland PMSAs recovery from the 1982 recession was much slower than Clark County's, the 1980-1990 labor force growth rate for the Portland CMSA was a positive 22.2 percent (+115,900). Employment growth in the Portland CMSA from 1990 to 1991, however, was slight, up by less than 1.0 percent (+1,200), reflecting the effects of the 1990-1991 national recession on the regional economy.

Table 7.2 illustrates the percentage of total unemployment for Clark County and other selected areas. The table indicates that total unemployment was predominantly higher in Clark County than either Portland PMSA or the United States, but overall was lower than the state of Washington unemployment rate. The unemployment rate for the county since 1970 has fluctuated between 4.9 percent and 11.9 percent. The annual unemployment rate was 6.6 percent for 1991.

**Table 7.2 Percentage of Total Unemployment of Clark County
Residents and Selected Areas, 1980-1992**

YEAR	UNITED STATES	STATE OF WASHINGTON	PORTLAND PMSA	CLARK COUNTY
1980	7.1	8.6	6.2	6.7
1981	5.8	9.6	6.9	7.4
1982	9.5	12.1	10.1	11.9
1983	9.5	11.2	10.1*	11.1
1984	7.5	9.5	7.9*	9.7
1985	7.3	8.1	8.0*	8.5
1986	7.0	8.2	7.2	8.8
1987	6.2	7.6	5.3	7.8
1988	5.4	6.2	4.8	5.8
1989	5.3	6.2	4.5	5.9
1990	5.5	4.9	4.2	4.9
1991	6.8	6.3	4.7	6.6
1992	7.4	7.5	6.4	7.7

**The Portland PMSA, as of April 30, 1983, includes Multnomah, Washington, Clackamas and Yamhill Counties.*

The original PMSA included Clark County and excluded Yamhill County.

Source: Oregon and Washington State Departments of Employment Security, US Department of Labor, Bureau of Labor Statistics. Scott Bailey, Labor Market Analyst, March 1992.

Table 7.3 highlights the actual growth in employment for both the Portland PMSA and Clark County. Clark County had a total of 51,011 covered workers in 1980. In 1990 this had grown by 26,825 jobs to 77,836 jobs, a

52.6 percent increase within the county. This represented 19.1 percent of the Portland-Vancouver CMSA regional employment growth (Table 7.3).

Table 7.3 Portland-Vancouver CMSA Regional Employment Growth, 1980-1990

AREA	EMPLOYMENT				PERCENT REGIONAL EMPLOYMENT SHIFT AND GROWTH, 1980-1990		
	1980		1990			CHANGE 1980-1990	
	NUMBER	(%)	NUMBER	(%)		NUMBER	(%)
PORTLAND PMSA							
MULTNOMAH COUNTY	333,150	(60.2%)	372,900	(53.7%)	+39,750	(+11.9%)	28.3%
WASHINGTON COUNTY	2,000	(16.6%)	134,300	(19.4%)	+42,300	(+46.0%)	30.1%
CLACKAMAS COUNTY	60,7000	(11.0%)	88,350	(12.7%)	+27,650	(+45.6%)	19.7%
YAMHILL COUNTY	16,390	(3.0%)	20,410	(2.9%)	+4,020	(+24.5%)	2.9%
TOTAL PORTLAND PMSA	502,240	(90.8%)	615,960	(88.8%)	+113,720	(+22.6%)	81.0%
VANCOUVER PMSA - CLARK COUNTY	51,011	(9.2%)	77,836	(11.2%)	+26,825	(+52.6%)	19.1%
TOTAL PORTLAND-VANCOUVER CMSA	553,251	(100.0%)	693,796	(100.0%)	+140,545	(+25.4%)	100.0%

Sources: "Oregon Covered Employment and Payrolls," Research and Statistics Section, Oregon Employment Division, September 1991

"Portland Metropolitan Labor Trends," Oregon Employment Division, October 1991.

"Employment and Payrolls in Washington State by County and Industry." Washington State Employment Security, 1990 Annual Averages February 1992.

In discussing the structure of Clark County's economy, the importance of the Portland CMSA cannot be overlooked. As illustrated in *Table 7.4*, a substantial number of the residential labor force in Clark County depends on Oregon's portion of the metropolitan area for employment.

Employment growth was slow in the first part of 1992 but accelerated rapidly in the last half of the year, for an average of 2.3 percent. A large expansion at the Hewlett-Packard printer plant, plus a modest recovery in the US economy, boosted manufacturing employment. Continued strong population growth kept construction at high levels and led to expansion in retail, services, and government jobs.

Table 7.4 Employment Commuters - Clark County

	1960	1970	1980	1990
ALL JOBS	32,309	48,836	78,890	110,967
FROM CLARK COUNTY TO OREGON	5,822	12,183	21,960	36,676
PERCENT OF ALL WORKERS	18.0%	26.0%	27.8%	65.3%
FROM OREGON TO CLARK COUNTY	1,646	4,246	5,159	9,710

Sources: 1970 US Census

1980 US Census, Social and Economic Profiles for Clark County

1990 US Census

Table 7.5 compares the percentage of jobs within each employment sector between the county and state. Clark County has more manufacturing employment because of investments in high tech firms, and a relatively small decline in its established manufacturing base. The county also has more construction employment due to its rapid population growth. Employment in retail trade employment is slightly lower because of seepage of retail dollars to Portland due to their lack of a sales tax. The county has fewer transportation and utility jobs in part because some major utilities are classified in government. Historically, the Pacific Northwest economy has been based on natural resources, deriving most of its income from agriculture, lumber, and wood products. On the other hand, the Portland-Vancouver metropolitan area economy has become diverse. Over time, resource industries have shrunk in economic importance within the geographic limits of the metropolitan area. The Pacific Northwest economy as a whole continues to be more dependent upon wood products than has the Portland-Vancouver metropolitan area. In fact, direct employment in the lumber and wood products sector has historically constituted only two percent of the metropolitan area's

labor force, and currently represents roughly one percent of total employment.

Nevertheless, resource industries will continue to be of significant importance to the metropolitan economy, at least indirectly. The metropolitan area, as the distribution hub for much of Oregon, southern Washington, and northern Idaho, is partially dependent upon the economies of these areas, which in turn are dependent upon agricultural and wood products. The strength of the national and international markets for farm and forest products affects demand for transportation, warehousing, wholesaling, and related services within the metropolitan area.

Consistent with national norms, the Portland-Vancouver metropolitan area's manufacturing sector represents roughly 17.0 percent of all wage and salary employment. Lumber and wood products, paper products, electronic and primary metals are the manufacturing sectors with the most disproportionate representation in the local economy. With the exception of these sectors, manufacturing industries have remained relatively small. Additional data on this subject is available in the *Resource Document*.

Table 7.5 Employment Commuters - Clark County

EMPLOYMENT SECTOR	WASHINGTON STATE (1992)	CLARK COUNTY (1992)
MANUFACTURING	15.6%	20.1%
CONSTRUCTION AND MINING	5.5%	7.6%
TRANSPORTATION AND PUBLIC UTILITIES	5.1%	3.9%
WHOLESALE AND RETAIL TRADE	24.3%	23.1%
FINANCE, INSURANCE, AND REAL ESTATE	5.4%	5.5%
SERVICES AND MISCELLANEOUS	25.0%	21.8%
GOVERNMENT	19.1%	18.0%
TOTAL	100.0%	100.0%

Source: Washington State Department of Employment Security: Scott Bailey, Labor Market Analyst, March, 1992.
Washington State Department of Employment Security: Washington Labor Market, August 1992.

The stagnant growth experienced during 1991 was largely due to a significant loss of manufacturing and construction employment in the Portland metropolitan area. Strong growth in the government and finance, insurance, and real estate (F.I.R.E.) sectors was offset by a sharp decline in manufacturing and construction employment. The largest job losses occurred in lumber and wood products, a sector hard hit by limits to its supply which is attributable to environmental concerns, as well as reduced construction activity.

As part of the Portland-Vancouver metropolitan area, Clark County's growth potential is linked to expansion of the regional economy, as well as the county's relative share of realized growth. Currently a net exporter of labor to the remainder of the metropolitan area, the county can greatly decrease the share of residents commuting out of the county over the next twenty years by capturing an increasing share of regional employment growth and through expansion of the local employment base, often termed a job/housing balance.

There are several large employers in Clark County. These firms are located throughout the county, with the majority of the industries concentrating in the Vancouver/Clark County urban area. The top five major employers are Hewlett-Packard with 2,200 persons employed in 1993, James River, 2,000; Vancouver School District, 1,650; Evergreen School District,

1,600; and Southwest Washington Hospitals, 1,394.

Income Profile

Personal and household income are closely related to the type of employment opportunities. Industries that pay low wages (e.g., restaurants, department stores) result in households with lower incomes. Income in turn affects the type of retail commercial and housing required to meet the needs of a lower income population. There are two measures of income; personal and household. Personal income is an indicator of the types of jobs available in the community and whether the income from one worker will be enough to support a whole family. Historic trends in personal income in nominal and constant dollars are shown in *Table 7.6*. Although the nominal amounts increased, real personal income declined in Clark County between 1970 and 1990.

Household income increased slightly over the same period, as shown in *Table 7.7*. However, this is likely a result of the increased number of households with two or more workers. Household income is also a good indicator of the price of housing needed in an area. As a rule of thumb, a household can afford to buy a house costing three times its gross annual income, or to rent at no more than 30 percent of gross monthly income.

Table 7.6 Mean Per Capita Personal Income, 1970-1990

JURISDICTION/ AREA	1970		1980		1990	
	NOMINAL	CONSTANT	NOMINAL	CONSTANT	NOMINAL	CONSTANT
CLARK COUNTY TOTAL	\$3,742	\$3,742	\$9,790	\$4,347	\$16,790	\$5,104
BATTLE GROUND	NA	NA	\$5,858	\$2,601	\$10,866	\$3,303
CAMAS	\$3,253	\$3,253	\$7,778	\$3,453	\$13,010	\$3,955
LA CENTER	NA	NA	\$5,852	\$2,598	\$9,540	\$2,900
RIDGEFIELD	NA	NA	\$5,994	\$2,661	\$11,250	\$3,420
VANCOUVER	\$3,438	\$3,438	\$7,585	\$3,368	\$12,606	\$3,832
WASHOUGAL	\$3,132	\$3,132	\$6,725	\$2,986	\$11,239	\$3,417
WOODLAND (PARTIAL)	NA	NA	\$7,849	\$3,485	\$21,901	\$6,658
YACOLT	NA	NA	\$5,527	\$2,454	\$9,755	\$2,966
WASHINGTON STATE	\$3,370	\$3,370	\$8,073	\$3,584	\$14,923	\$4,537
PORTLAND/ VANCOUVER METRO	\$3,512	\$3,512	\$8,335	\$3,701	\$15,235	\$4,631

Note: Constant equals 1970 dollars and nominal does not imply actual income. These figures are based on city limits

NA: Not Available

Source: US Bureau of the Census, Washington Employment Services, and Intergovernmental Resource Center. 1992

Table 7.7 Median Household Income Trends, 1970-1990

JURISDICTION/ AREA	1970		1980		1990	
	NOMINAL	CONSTANT	NOMINAL	CONSTANT	NOMINAL	CONSTANT
CLARK COUNTY TOTAL	\$10,195	\$10,195	\$18,959	\$8,418	\$31,800	\$9,667
BATTLE GROUND	NA	NA	\$14,312	\$6,355	\$24,256	\$7,374
CAMAS	\$8,596	\$8,596	\$17,525	\$7,781	\$28,576	\$8,687
LA CENTER	NA	NA	\$15,833	\$7,030	\$24,750	\$7,524
RIDGEFIELD	NA	NA	\$14,052	\$6,239	\$26,992	\$8,206
VANCOUVER	\$8,009	\$8,009	\$13,574	\$6,027	\$21,552	\$6,552
WASHOUGAL	\$7,444	\$7,444	\$14,301	\$6,350	\$25,463	\$7,741
WOODLAND (PARTIAL)	NA	NA	\$10,938	\$4,856	\$28,906	\$8,787
YACOLT	NA	NA	\$13,681	\$6,074	\$18,194	\$5,531
WASHINGTON STATE	\$8,171	\$8,171	\$18,367	\$8,155	\$31,183	\$9,480
PORTLAND/ VANCOUVER METRO	\$8,378	\$8,378	\$18,423	\$8,180	\$30,499	\$9,272

NA: Not Available

Note: Constant equals 1970 dollars, and nominal does not imply actual income. These figures are based on city limits.

Source: US Bureau of the Census. 1992

Industrial and Commercial Land Analysis

The industrial and commercial land demand and supply has a direct impact on the present and future employment base. Population estimates for Clark County project a significant

increase over the next twenty years. Maintaining the present jobs/population ratios will require a proportionate amount of usable industrial property to maintain a strong tax base.

The industrial land inventory revealed that Clark County's entire industrial land base is approximately 12,000 acres. The categorizing of all industrial lands based on the recommended criteria revealed that the county has approximately 1,200 acres of *prime* industrial land available for development. Prime is defined as immediately available industrial land of sufficient size that is vacant, properly zoned, served with adequate infrastructure, and free of land use and environmental conflicts. There is a need for a total of at least 3,000 acres of prime industrial to meet anticipated industrial development demand over the next 20 years, given employment density, current rate of land absorption and market factor.

In order for land to be readily available for industrial development, it must be designated for industrial use and served by public facilities adequately sized for industrial development. Road, sewer, water, and storm drainage systems are among the important public facilities which need to be in place providing urban levels of service to support industrial development.

The pace of retail and office development activity has accelerated in the last several years. Estimates for land requirements for commercial is approximately 2,500 acres in the urban area to meet expected demand over the next 20 years.

Market Factors Influencing Economic Growth

The existing economic conditions summarized in this section, indicate broad potential for economic development in Clark County. However, it is recognized that various factors may hinder or impede the progress of development and the achievement of a state of economic viability. For instance, the pace of industrial, commercial and residential development within the county will be dependent on the economic prospects of the entire Portland-Vancouver metropolitan area. Continued growth of the Portland metropolitan area seems assured for the foreseeable future; however, the pace of growth is dependent upon significant regional planning decisions and the ability to capitalize on a combination of domestic and Pacific Rim markets.

The Portland-Vancouver metropolitan area may not regain the number of manufacturing jobs it had in the late 1970s. The shift from

traditional manufacturing jobs to service employment is likely to continue. As a result, the total Clark County employment forecast could be impacted. It is important to note there is an implication that further expansion of the labor force could be constrained by a shift in demographics, due to the forecasted aging of the county's population. These shifts are due to the fact that virtually all of the baby-boomers who will work are now in the labor force and the age cohort coming in behind is significantly smaller. Labor force participation rate tends to be highest where age is concentrated between 20 and 55 years and education levels are higher than average.

Another factor effecting the economic viability of the county is the ability to develop the industrial lands that have been identified. A major stimulus to long-term growth of the county is its location relative to the region. The Portland Metropolitan area attracts industry to the region but in order to locate in the county, adequately serviced and readily available land is needed. The biggest potential concerns could be the funding of infrastructure and jurisdictional questions between the land use planning and regulatory functions of Clark County and the water/ sewer service functions of the cities.

The county's economic development planning objectives are sensitive to local planning objectives. This *Chapter* of the *20-Year Plan* endeavors to coordinate the availability of land for economic activities with scheduled urban service expansions set forth in local plans. For instance, efforts are being made to reserve industrial land in certain locations within or adjacent to urban areas as local jurisdictions plan public facility improvements for these properties, in anticipation of future demand for industrial land.

In summary, as part of the Portland-Vancouver metropolitan area, Clark County's potential is linked to expansion of the regional economy, as well as the county's relative share of realized growth. Employment growth is the primary determinant of population and household growth, and serves as the predominant economic indicator of future demand for office and industrial space. Currently, Clark County is a net exporter of labor to the remainder of the metropolitan area.

Consistent with historical and projected population trends, Clark County is projected to experience the fastest level of household growth in the metropolitan area and should

lead to continued employment growth. Real wages (average annual wages adjusted for inflation) for jobs located in Clark County have experienced a steady decrease since 1971. Wages have dropped significantly in real terms for virtually all industrial sectors, with the exception of the finance, insurance, and real estate sector. The average Clark County worker thus suffered a net loss in earning power.

Declining wage rate and net income, when compared to the increase in real cost for housing, represent a negative trend. The emphasis in economic development activity should focus on increasing employment opportunities in sectors which pay significantly more than minimum wage.

The combination of a healthy regional economy and Clark County's emergence as the fastest growing area in population and employment could generate rapid, if not explosive, development opportunities for the foreseeable future. The following section addresses goals, public policies and strategies which will influence both the timing and character of future development in Clark County.

GOALS AND POLICIES

The *Community Framework Plan* contained a series of countywide and framework plan policies for economic development. The intent of this *Economic Development Element* is to build on the policies already in place, provide more specific direction for implementation of economic development goals, and coordinate with other elements of the comprehensive plan.

This *Chapter* of the *20-Year Plan* includes an array of development goals, policies and initiatives aimed at promoting those characteristics of the economy which advance the community's broader vision as expressed in the plan. Other economic development considerations to be addressed in the *20-Year Plan* include:

- strategies to improve the economy are identified which take into account the economic development strengths and weaknesses of the region;
- economic issues facing the county are discussed and direction is provided regarding public policy that will ensure informed and cost effective capital facility investments;

- compromise and consensus on issues are encouraged among community leaders who represent diverse interests, perhaps resulting in cooperation among parties in undertaking development projects;
- locations and situations in which economic activity will be encouraged are indicated as matters of policy, lending predictability to the actions of public agencies having land use regulatory responsibility; and,
- efforts are made to protect prime industrial lands from being consumed by competing uses.

The term *high wage jobs* represents a common theme underlying many of the economic development goals, policies and strategies. This *Economic Development Element* is premised on an understanding that there are three ways to move towards the *overriding benchmark* of high wage jobs in Clark County:

- create *new jobs* that pay above the current average wage and salary level for Clark County residents;
- upgrade *existing jobs* by increasing worker proficiency and productivity to justify pay increases for an in-place local labor force; and,
- provide *job opportunities* for the unemployed or under-employed that offer incomes greater than payments currently available through existing public assistance programs.

Population and economic growth generates a continuum of employment opportunities, from comparatively low paying, entry level, temporary and/or part-time jobs to higher paying, full-time, permanent positions that often require more specialized technical, professional or managerial skills.

Growth of low paying and part time jobs, increasingly retail/service sector oriented employment, is consistent with international and domestic trends that will likely continue independent of local economic development policies and strategies. However, local policies can be targeted to encourage a *better balance* of job opportunities to equal or surpass statewide and national economic conditions. Because wages in Clark County are currently below state and national averages, achieving

this better balance will require emphasis on encouraging a greater proportion of high wage jobs than are currently represented in the local economy. Increasing the average wage or income level also requires a local workforce of sufficient quantity and quality to attract *high wage* employers to locate in Vancouver/Clark County, and encourage existing *high wage* employers to stay and expand. Linking the economic development objective of *high wage* jobs to growth management and comprehensive planning represents a significant challenge for public agencies, businesses and residents.

GOAL 7.1: *Assure that annual wage rates are parity with the Washington state average and parity with or exceeding the U. S. average annual wage.*

Policies:

- 7.1.1 Encourage long-term business investments that generate net fiscal benefits to the community, protect environmental quality, and are consistent with the objective of higher wage jobs for Clark County residents.
- 7.1.2 Support retention and expansion of existing firms, and recruitment activities for businesses of all types and sizes which demonstrate a commitment to protecting the environment and enhancing quality of life throughout the community.
- 7.1.3 Encourage public and not-for-profit partnerships with private business interests in affecting economic development projects that would not otherwise occur without the cooperation of all sectors.
- 7.1.4 Promote a diverse economic base, providing economic opportunity for all residents, including unemployed, under-employed and special needs populations.
- 7.1.5 Provide priority assistance to employers who pay an above average wage and thereby improve the community's standard of living.
- 7.1.6 Encourage the recruitment of new business employers who hire local residents, including firms that will provide long-term employment to a greater proportion of local residents who are currently employed outside of Clark County.

- 7.1.7 Participate with local municipalities and citizen groups to adopt common benchmarks that will be used to measure the county's overall economic viability.

- 7.1.8 Encourage private sector, market-based investments and business activities with public sector investment focused on achieving goals and policies that require public/private cooperation.

GOAL 7.2: *Assure an adequate supply of prime industrial sites to meet market demands for industrial development over the planning horizon.*

Policies:

- 7.2.1 In cooperation with local jurisdictions, maintain a minimum ten year supply of prime industrial land within designated urban growth areas, based on average absorption rates of the last five years plus an appropriate market factor.
 - a. Designate a minimum of 3,000 acres of vacant prime or potential prime industrial land for the 20 year planning period, preferably located within designated urban growth areas.
 - b. Discourage removing land from the inventory to fall below a 10 year supply of prime industrial sites.
 - c. Update inventories of industrial lands at least every five years.
 - d. Encourage industrial land banking of large sites and future urban reserve areas to include industrial sites.
- 7.2.2 Encourage appropriate re-use and development of older and/or deteriorating industrial buildings; where redevelopment to industrial use is not feasible, consider conversion to alternative uses offering greater market potential.
- 7.2.3 Designate sites for industrial use at locations that will be accessible from roadways of arterial classification or higher, potentially served with utilities, and free of major environmental constraints such as unsuitable soils, floodplains and wetlands. Program capital facility expenditures to assure development of these lands.

- 7.2.4 Assure the continued availability of properties designated for industrial use and that are suitable for a mix of business and industrial park, light and heavy industrial uses; include properties developed by both private and public entities; and provide access to multimodal transportation services including motor freight, rail and marine facilities.
- 7.2.5 Encourage above average site coverage ratios for non-contiguous parcels of less than 20 acres.
- 7.2.6 Provide appropriate buffering between zoned industrial sites and adjoining non-industrial properties to ensure industrial sites are protected from incompatible uses.
- 7.2.7 Encourage non-industrial uses which can serve or benefit from proximity to industrial activity to be located either on-site or in close proximity to industrial uses.
- 7.2.8 Restrict rezoning of primary, secondary and tertiary industrial parcels for non-industrial use by preserving industrial land exclusively for those permitted uses in the industrial zone within the urban growth areas (UGA's).
- 7.2.9 Consider amending the *Comprehensive Plan Map* and rezoning of secondary and tertiary industrial lands to other non-industrial uses, only after a determination that (1) such lands cannot feasibly be improved to prime industrial status due to physical conditions (such as topography, critical lands, street patterns, public services, existing lot arrangement, etc.), (2) a non-industrial designation and zoning is more appropriate, and (3) after other replacement sites with the existing UGA of equal or greater industrial potential have been designated industrial on the *Comprehensive Plan Map* and zoned to achieve no net loss of industrial lands.
- GOAL 7.3: Provide commercial sites adequate to meet a diversity of needs for retail, service and institutional development in Clark County.**
- Policies:**
- 7.3.1 In cooperation with local jurisdictions, maintain an adequate supply of commercial lands within designated urban growth areas, based on average absorption rates of the last five years plus an appropriate market factor.
- a. Designate sufficient commercial land for the 20 year planning period, preferably located within designated urban growth areas.
- b. Discourage removing land from the inventory to fall below a 10 year supply of commercial sites.
- c. Update inventories of commercial lands at least every five years.
- d. Encourage infill and redevelopment of underutilized commercial sites.
- 7.3.2 Locate convenience-oriented retail and service developments adjacent to residential neighborhoods; encourage small-scale neighborhood commercial uses directly within residential areas.
- 7.3.3 Encourage commercial lodging, dining and retail facilities and special events that can capture or support tourism related traffic generated by significant Vancouver-Clark County and regional visitor attractions.
- 7.3.4 Provide for attractive urban and local area job centers, employment/housing balance particularly in urban centers and adequate commercial land supply to encourage non-traffic generating work opportunities.
- 7.3.5 Encourage commercial and mixed use developments located on current or planned transit corridors; encourage transit oriented site planning and design.
- 7.3.6 Develop and enhance Clark County visitor, cultural, historical and entertainment attractions that offer economic benefits.
- 7.3.7 Maintain design standards to ensure that commercial projects are developed with minimal impact on surrounding land uses, are consistent with related community appearance/design guidelines, and assure pedestrian as well as vehicular access.
- 7.3.8 Permit home occupations that are consistent with the character of adjoining residential properties and neighborhoods.

7.3.9 Encourage shared use parking, access and transit incentive programs with commercial development projects.

7.3.10 Encourage strategies to reduce retail sales leakage and to accommodate rapidly changing commercial development trends.

GOAL 7.4: Provide a continuum of educational opportunities responsive to the changing needs of the work place locally and regionally.

Policies:

7.4.1 Encourage continuing education, skills upgrading, mentoring and lifelong learning programs suitable for large and small employers.

7.4.2 Consider incentives to link proposed industrial and commercial development projects with job training, education and housing programs.

7.4.3 Prioritize the retention of employees being displaced from industries which are contracting due to changing competitive, environmental, regulatory or market conditions.

GOAL 7.5: Promote long-term economic development that will improve air quality to attainment status and preserve air shed capacity to accommodate job generating activities.

Policies:

7.5.1 Give priority to industries and businesses creating high wage jobs which operate within the available air shed capacity.

7.5.2 Encourage existing stationary sources to reduce emissions in compliance with state and federal standards.

7.5.3 Consider prioritizing available air shed rights for firms providing jobs that pay wages above the national average in Vancouver-Clark County.

GOAL 7.6: Encourage infrastructure development and services necessary to serve new development.

Policies:

7.6.1 Coordinate the *Capital Facilities Elements* of local jurisdiction's plans so that infrastructure funding and construction is consistent with countywide policies for economic development.

7.6.2 Prioritize infrastructure development in advance of need to areas that are suitable for industrial and commercial development:

a. when siting a regional/corporate office development, land use compatibility and cost effectiveness shall be considered; and,

b. emphasis on infrastructure for development should be placed to serve major industrial areas with proximity to SR-14 and to the I-5 and I-205 freeway corridors in designated urban areas.

7.6.3 Consider providing incentives related to infrastructure to encourage development of high wage industries, improved utilization of existing facilities and/or conservation of air and water resources.

7.6.4 Implement level of service (LOS) and concurrency management systems which are consistent with economic development goals and policies.

GOAL 7.7: Maintain and enhance opportunities for resource based industries dependent on rural lands in Clark County.

Policies:

7.7.1 Encourage resource based industries, including agricultural, forestry, and aggregate materials which are consistent with rural lands goals and policies (*Chapter 4, Rural and Natural Resources Element*).

7.7.2 Encourage aggregate production of gravel and rock adequate to meet Clark County market needs.

7.7.3 Protect agricultural resource lands from encroachment by incompatible uses; encourage direct *farm-to-market* agricultural distribution and retail enterprises.

- 7.7.4 Conserve forest lands, including small woodlot holdings for productive and sustainable economic use, by identifying and designating resources of long-term commercial significance.
- 7.7.5 Implement programs to encourage agricultural and forestry management of smaller rural tracts consistent with sound environmental practices.
- 7.7.6 Encourage the development of marketable alternative energy sources and recycling activities consistent with environmental protection.

GOAL 7.8: Provide incentives for high wage industrial and commercial development through coordination with county open space, recreation, and critical land policies and implementation measures.

Policies:

- 7.8.1 Undertake county sponsored planning efforts in targeted areas, to address industrial/commercial development and related open space, recreation, and critical land issues.
- 7.8.2 Provide incentives for industrial and commercial developments that preserve important open space and natural areas or that provide for active recreation complexes.
- 7.8.3 Identify target areas where industrial lands include or are adjacent to open space, recreation areas, or critical lands.
- 7.8.4 Conduct pertinent wetland delineations, studies, and master plans to identify areas for industrial, open space, recreation, and environmental uses.

IMPLEMENTATION AND FINANCING STRATEGIES

Ordinance and procedural changes are needed to implement the goals and policies identified in this Chapter. Roles and responsibilities must be defined and financing mechanisms identified as part of the overall *Growth Management Plan*. As noted, the *Economic Development Element* also requires careful coordination with several other elements of the comprehensive plan.

The following is the *preferred* set of economic development implementation and financing strategies:

Aggressive Incentive/Linkage Approach:

This approach would involve adding selective incentive or linkage mechanisms to *push the envelope* by also implementing relatively innovative, non-traditional growth management measures that explicitly target *high wage* jobs. Businesses paying wages below the national average or below industry norms would continue to be accommodated at appropriate industrial and commercial sites; however, businesses which pay above the average wage would receive priority assistance through incentive mechanisms consistent with this *Chapter*.

Continuum of Job Opportunities:

A continuum of job opportunities at different wage levels will continue to be made available to meet the diverse needs and capabilities of the Clark County labor force. By focusing on jobs which pay above the national average, there will be greater opportunity to improve and maintain a higher standard of living for a broader spectrum of Clark County residents. Ordinance and procedural changes needed to implement the goals, policies and strategies that have been identified in this chapter are as follows:

- Establish procedures and incentive mechanisms to target high wage employers for priority assistance;
- prepare and maintain countywide land inventories and analyses of land absorption, by type of industrial, commercial and residential use;
- prepare and maintain a coordinated multi-jurisdictional industrial and commercial capital facilities plan;
- establish jobs/housing balance targets for employment centers and associated residential subareas of Clark County;
- establish an air emissions bank and allocation mechanism for high wage industry;
- identify and evaluate the economic and fiscal characteristics of proposed *GMA* related ordinances and impact fees prior to adoption;

- streamline development permit processing;
- develop long-term (i.e., 20 year) public or public/private industrial land banking strategies as found to be feasible; and,
- establish design standards tailored to the unique requirements of separated and mixed industrial/commercial/residential/open space land use concepts.

BENCHMARKS FOR SUCCESS

By year 2000, the county, citizens and businesses will examine how successful we are in achieving our goals, policies and strategies for economic development, with subsequent reviews throughout the life of the *20-Year Plan*.

A series of benchmarks will have been established in conjunction the Columbia River Economic Development Council (CREDC).

Overriding Benchmarks:

- Bring private sector average annual wage rates to parity with the Washington statewide average by the year 2000. Bring private sector average annual wage rates to parity with the US by the year 2005. In all years thereafter, maintain or exceed parity with the US average annual wage rates.

Supporting Benchmarks:

1. Increase the percentage of the work force in private, non-profit, and public industry sectors which pay above average annual wage rates.
2. Reduce the percentage of Vancouver/Clark County citizens in poverty.
3. Target the designation of 3,000 acres of vacant prime or potentially prime industrial land preferably within the urban growth areas of the county.
4. Designate an adequate inventory of vacant commercial land, preferably within the urban growth areas of the county, an inventory of such lands

determined by a method or methodologies acceptable to the stakeholders in the *20-Year Plan*.

5. Increase education availability at the community college, upper level, and masters level to the following levels:
 - a. *Lower Level:* Maintain or exceed Clark County percentages of graduates of 1989.
 - b. *Upper Level:* 80 percent of the highest participation rates of any county in the state of Washington by 2000; 90 percent by 2010.
 - c. *Graduate Level:* 80 percent of the highest participation rates of any county in the state of Washington by 2000; 90 percent by 2010.
1. Preserve the following average, multi-modal peak period commuting times to the following:
 - a. Portland International Airport from Vancouver Mall - 18 minutes
 - b. Downtown Portland from Downtown Vancouver - 35 minutes, assuming high capacity transit (HCT)
 - c. Work in Clark County - 15 minutes
1. Attain the following densities in population within the Urban Growth Boundary to sustain a multi-modal transportation system:
2. By 2000, six dwelling units per acre for residential development served by fixed-route transit and 12 dwelling units per acre for residential development served by high capacity transit.
3. By 2013, a minimum of 8 dwelling units per acre for residential development, served by fixed-route transit, and a minimum of 15 dwelling units per acre for residential development served by high capacity transit.
4. Preserve or increase the remaining usable air shed available for stationary sources and for job creating activities by reducing air shed consumption from mobile sources.